

Before the
Federal Communications Commission
Washington, D.C. 20554

In re Applications of
NEOWORLD LICENSE HOLDINGS, INC.
and
HUGHES ELECTRONICS CORPORATION
and
WILMINGTON TRUST COMPANY,
LIQUIDATING TRUSTEE
For Consent to Assignment of Licenses
File Nos. 0000103142, et al.
DA 00-1092

MEMORANDUM OPINION AND ORDER

Adopted: August 3, 2000

Released: August 4, 2000

By the Deputy Chief, Wireless Telecommunications Bureau:

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I. INTRODUCTION

1. In this Order, we grant the applications filed by Neoworld License Holdings, Inc., an indirect, wholly-owned subsidiary of Neoworld License Holdings, LLC (“Neoworld”), Hughes Electronics Corporation (“Hughes”), and Wilmington Trust Company, Liquidating Trustee (“Wilmington Trust”) (collectively, “Applicants”), for assignment of 900 MHz Specialized Mobile Radio (“SMR”) licenses and authorizations held by Hughes or Wilmington Trust to Neoworld. We deny two pleadings objecting to or requesting imposition of specific conditions on the assignments.

II. BACKGROUND

2. Organized under the laws of Delaware, Neoworld is headquartered in Bloomfield, New Jersey. Neoworld currently does not hold any Commission licenses or authorizations.¹

3. Hughes and Wilmington Trust currently hold a number of 900 MHz SMR licenses that they acquired from the bankruptcy estate of Geotek Communications, Inc.² On March 24, 2000, Neoworld, Hughes, and Wilmington Trust entered into an Asset Purchase Agreement pursuant to which Neoworld agreed to acquire the 900 MHz SMR licenses currently held by Hughes and Wilmington Trust.³ According to Neoworld, it plans to use the licenses to create a dispatch network, using a digital platform with digital voice compression for radio transmission and digital storage, to offer services as an alternative to existing dispatch services.⁴

4. On April 7, 2000, pursuant to section 310(d) of the Communications Act of 1934, as amended (“the Act”),⁵ Wilmington Trust filed applications seeking Commission consent to assign 59 900 MHz SMR MTA licenses and two 900 MHz SMR Designated Filing Area (“DFA”) licenses to Neoworld. On April 11, 2000, Hughes filed an application seeking Commission consent to assign 20 900 MHz SMR MTA licenses to Neoworld. On May 12, 2000, by delegated authority, the Bureau issued a Public Notice to announce that all of the applications had been accepted for filing and to

¹ See FCC Ownership Disclosure Information for the Wireless Telecommunications Services (FCC Form 602), filed April 26, 2000 by Neoworld License Holdings, Inc., as amended on May 5, 2000 and May 10, 2000 (“Neoworld Form 602”).

² See *Applications of Various Subsidiaries and Affiliates of Geotek Communications, Inc., and Wilmington Trust Company or Hughes Electronics Corporation, and Applications of Wilmington Trust Company or Hughes Electronics Corporation and FCI 900, Inc., For Consent to Assignment of 900 MHz Specialized Mobile Radio Licenses*, 15 FCC Rcd 790 (WTB, 2000) (“*Geotek Order*”). In the *Geotek Order*, the Wireless Telecommunications Bureau (“Bureau”) also granted its further consent to Hughes and Wilmington Trust to allow them to assign a portion of the licenses acquired from the Geotek bankruptcy estate to FCI 900, Inc., a subsidiary of Nextel Communications, Inc. (“Nextel”), in certain markets not covered by a Consent Decree between Nextel and the U.S. Department of Justice (“Nextel Consent Decree”). *Id.* at 791. The licenses proposed to be assigned to Neoworld are those remaining licenses held by Hughes and Wilmington Trust, which pertain to markets covered by the Nextel Consent Decree.

³ See *Applications of Neoworld License Holdings, Inc., Hughes Electronics Corporation, and Wilmington Trust Company for Assignment of Licenses*, File Nos. 0000104291 and 0000103142, filed April 7, 2000 and April 11, 2000, Public Interest Statement at 2 (“Public Interest Statement”).

⁴ *Id.*

⁵ 47 U.S.C. § 310(d).

establish a pleading cycle to enable interested parties to comment on the proposed transaction.⁶

5. In response to the *Acceptance Public Notice*, nine parties filed comments in support of Commission grant of the assignments to Neoworld.⁷ In addition, the Alliance for Radio Competition (“ARC”) filed comments recommending that the Commission grant the assignments to Neoworld, subject to the condition that Neoworld be prohibited, for the first five years after grant of the assignments to Neoworld, from assigning to Nextel, or an affiliate of Nextel, any of the licenses that were unconstructed or were constructed for less than one year.⁸ One party, John V. Conway, MD, opposed the assignments.⁹

6. As explained below, we find that the proposed assignments of licenses from Hughes and Wilmington Trust to Neoworld pose no risk of harm to U.S. telecommunications markets and would permit Neoworld to offer a digital dispatch service. Accordingly, we find, pursuant to section 310(d) of the Act, that grant of the pending requests for assignment would serve the public interest. Therefore, we deny both Dr. Conway’s objection to the assignments and ARC’s request to impose conditions on the instant licenses, and we grant the applications.

II. DISCUSSION

A. Statutory Authority

7. Section 310(d) of the Act provides, in pertinent part, that “[n]o construction permit, or station license, or any rights thereunder, shall be transferred, assigned, or disposed of in any manner, voluntarily or involuntarily, directly or indirectly, or by transfer of control of any corporation holding such permit or license, to any person except upon application to the Commission and upon finding by the Commission that the public interest, convenience, and necessity will be served thereby.”¹⁰ Section 310(d) also requires the Commission to consider the license transfer or assignment application as if it were filed pursuant to section 308 of the Act, which

⁶ See Neoworld License Holdings, Inc., Hughes Electronics Corporation, and Wilmington Trust Company Seek FCC Consent for Assignment of 900 MHz Specialized Mobile Radio Licenses, *Public Notice*, DA 00-1092 (rel. May 17, 2000) (“*Acceptance Public Notice*”).

⁷ See Comments of Communications Electronics of Virginia, Inc. filed June 16, 2000 (“*Communications Electronics Comments*”); Comments of ComSpace Corporation, filed June 16, 2000 (“*ComSpace Comments*”); Comments of DFW Communications, filed June 16, 2000 (“*DFW Comments*”); Comments of Global Telecom Group, Inc., filed June 16, 2000 (“*Global Telecom Comments*”); Comments of Independence Communications, filed June 16, 2000 (“*Independence Comments*”); Comments of JAN Communications and Electronics Co., Inc., filed June 16, 2000 (“*JAN Comments*”); Comments of Regional Communications, Inc., filed June 16, 2000 (“*Regional Comments*”); and Comments of Communications USA, filed June 16, 2000 (“*Communications USA Comments*”). The Commission also received improperly filed comments from Metropolitan Communications, Inc. in support of the applications. See Comments of Metropolitan Communications, Inc., dated June 16, 2000.

⁸ See Comments of Alliance for Radio Competition, filed June 16, 2000, at 6 (“*ARC Comments*”). ARC also requests that this restriction on transfer or assignment be imposed on any third party to which Neoworld might assign or transfer these same licenses during the initial five-year period. *Id.* at 8.

⁹ See Comments of John V. Conway, MD, dated June 10, 2000 (“*Conway Comments*”). Though Dr. Conway’s comments were improperly filed, we nevertheless address his comments below.

¹⁰ 47 U.S.C. § 310(d).

governs applications for new facilities and for renewal of existing licenses.¹¹

8. In applying the public interest test under section 310(d), the Commission considers four overriding questions: (1) whether the transaction would result in a violation of the Act or any other applicable statutory provision; (2) whether the transaction would result in a violation of Commission rules; (3) whether the transaction would substantially frustrate or impair the Commission's implementation or enforcement of the Act or interfere with the objectives of that and other statutes; and (4) whether the transaction promises to yield affirmative public interest benefits.¹² In summary, the Applicants bear the burden of demonstrating that the transaction will not violate or interfere with the objectives of the Act or Commission rules, and that the predominant effect of the transaction will be to advance the public interest.¹³ Prior to approving the applications, we must determine whether the Applicants have met this burden.¹⁴

¹¹ *Id.*, 47 U.S.C. § 308.

¹² See *Applications of Aerial Communications, Inc., and VoiceStream Wireless Holding Corporation for Transfer of Control*, 2000 WL 339806, at ¶ 9 (WTB/IB rel. Mar. 31, 2000) (“*VoiceStream/Aerial Order*”) (citing *Applications of Ameritech Corp. and SBC Communications Inc. for Transfer of Control*, CC Docket No. 98-141, Memorandum Opinion and Order, FCC 99-279, at ¶¶ 49-50 (rel. Oct. 8, 1999) (“*SBC/Ameritech Order*”); *Applications of WorldCom, Inc. and MCI Communications Corporation for Transfer of Control of MCI Communications Corporation to WorldCom, Inc.*, CC Docket No. 97-211, 13 FCC Rcd 18025, 18,030-33, ¶¶ 9-12 (“*WorldCom/MCI Order*”) (citing *Applications of NYNEX Corporation and Bell Atlantic Corporation*, Memorandum Opinion and Order, 12 FCC Rcd 19,985, 19,987 ¶ 2 & n.2 (1997) (“*Bell Atlantic/NYNEX Order*”); *Applications of MCI Communications Corporation and British Telecommunications P.L.C.*, Memorandum Opinion and Order, 12 FCC Rcd 15, 351, 15,367 ¶ 33 (1997) (“*BT/MCI Order*”); *Applications of Vodafone AirTouch, PLC, and Bell Atlantic Corporation*, Memorandum Opinion and Order, DA 00-721, 2000 WL 332670, at ¶ 13 (WTB/IB rel. Mar. 30, 2000) (“*Bell Atlantic/Vodafone AirTouch Order*”) (same). See also, *Applications of GTE Corporation and Bell Atlantic Corporation for Transfer of Control*, Memorandum Opinion and Order, CC Docket No. 98-184, FCC 00-221, at ¶ 22 (rel. June 16, 2000) (“*Bell Atlantic/GTE Order*”).

¹³ *VoiceStream/Aerial Order*, 2000 WL 339806, at ¶ 9, n. 20 (citing *WorldCom/MCI Order*, 13 FCC Rcd at 18,031 ¶ 10 n.33 (citing 47 U.S.C. § 309(e) (burdens of proceeding and proof rest with the applicant)) and *LeFlore Broadcasting Co., Inc.*, Docket No. 20026, Initial Decision, 66 F.C.C. 2d 734, 736-37 ¶¶ 2-3 (1975) (burden of proof is on licensee on issue of whether applicants have the requisite qualifications to be or to remain Commission licensees and whether grant of applications would serve public interest, convenience and necessity)); *Bell Atlantic/Vodafone AirTouch Order*, 2000 WL 332670, at ¶ 13, n. 23 (same). See also, *Bell Atlantic/GTE Order*, FCC 00-221, at ¶ 22, n. 63.

¹⁴ *VoiceStream/Aerial Order*, 2000 WL 339806, at ¶ 9, n. 21 (citing *Bell Atlantic/NYNEX Order*, 12 FCC Rcd at 20,001, 20,007, ¶¶ 29, 36; *BT/MCI Order*, 12 FCC Rcd at 15,367 ¶ 33); *Bell Atlantic/Vodafone AirTouch Order*, 2000 WL 332670, at ¶ 13, n. 24 (same).

B. Qualifications

9. In evaluating assignment applications under section 310(d) of the Act, we do not re-evaluate the qualifications of assignors unless issues related to basic qualifications have been designated for hearing by the Commission or have been sufficiently raised in petitions to warrant the designation of a hearing.¹⁵ In this case, no party has challenged the basic qualifications of Hughes or Wilmington Trust.

10. By contrast, as a regular part of our public interest analysis, we determine whether the proposed assignee is qualified to hold Commission licenses.¹⁶ The only issues with respect to the basic qualifications of Neoworld as assignee were raised by Dr. Conway, who alleges that Neoworld has “extensive ties to Nextel.”¹⁷ Dr. Conway further alleges that Brian M. McAuley, who co-founded Nextel’s predecessor company, “may still be on the payroll of Nextel.”¹⁸ Dr. Conway urges the Commission to take depositions of key employees of both Neoworld and Nextel to discover if oral or written agreements exist for the use of the licenses to be assigned “for the financial benefit of Nextel.”¹⁹

11. We do not believe that Dr. Conway’s allegations are sufficient to warrant further investigation.²⁰ Nextel is not a party to the instant applications, and there is nothing in the record either indicating that Nextel holds any interest in Neoworld or otherwise supporting Dr. Conway’s allegations.²¹ Indeed, the Applicants point out that Neoworld will face competition from Nextel.

12. Dr. Conway also alleges that Neoworld is not financially qualified to hold the licenses at issue, stating that the “\$150 million raised as capital by Neoworld is insufficient to deploy these

¹⁵ See *VoiceStream/Aerial Order*, 2000 WL 339806, at ¶ 9, n. 22 (citing *MobileMedia Corporation et al.*, 14 FCC Rcd 8017 ¶ 4 (1999) (citing *Jefferson Radio Co. v. FCC*, 340 F.2d 781, 783 (D.C. Cir. 1964)); *Bell Atlantic/Vodafone AirTouch Order*, 2000 WL 332670, at ¶ 14, n. 25 (same). See also, Stephen F. Sewell, “Assignments and Transfers of Control of FCC Authorizations Under Section 310(d) of the Communications Act of 1934,” 43 Fed. Comm. L.J. 277, 339-40 (1991). The policy of not approving assignments or transfers when issues regarding the licensee’s basic qualifications remain unresolved is designed to prevent licensees from evading responsibility for misdeeds committed during the license period. *Id.*

¹⁶ See *In re applications of AirTouch Communications, Inc. and Vodafone Group, Plc*, Memorandum Opinion and Order, DA 99-1200, 1999 WL 413,237 (WTB rel. June 22, 1999) at ¶¶ 5-9 (“*Vodafone/AirTouch Order*”).

¹⁷ See Conway Comments at 1.

¹⁸ *Id.*

¹⁹ *Id.* While Dr. Conway does not explicitly state this, we presume that his concern is that Nextel will gain control of the licenses in violation of the Nextel Consent Decree.

²⁰ Section 1.939(d) of the Commission’s rules requires that “a petition to deny must contain specific allegations of fact sufficient to make a *prima facie* showing that the petitioner is a party in interest and that a grant of the application would be inconsistent with the public interest, convenience and necessity. Such allegations of fact, except for those of which official notice may be taken, shall be supported by affidavit of a person or persons with personal knowledge thereof.” See 47 C.F.R. § 1.939. See also 47 U.S.C. § 309(d)(1).

²¹ See Neoworld Form 602. ARC raises vague allegations in its comments that the “majority of Neoworld’s investors are seed Nextel investors, e.g. Madison Dearborn.” See ARC Comments at 5. Even assuming that this is true, however, it is likely that the same institutional investors may hold interests in a number of different Commission licensees. The mere fact that two licensees may have similar institutional investors is not determinative of an identify of interest without more specific information about the percentage and character of interest held.

licenses.”²² Again, Dr. Conway provides no support for his assertion. Furthermore, CMRS applicants generally are not required to provide detailed financial plans for the construction of their systems.²³ Rather, Applicants are required to be “legally, technically, financially, and otherwise qualified,”²⁴ and Neoworld has certified that “it has the financial resources available to acquire, construct and operate the facilities which are the subject of this application, as well as the management expertise to carry out its business objectives.”²⁵ Accordingly, we find that Dr. Conway has provided insufficient information upon which either to find Neoworld unqualified financially to hold the instant licenses or to investigate this issue further.

13. Similarly, we decline to impose the condition proposed by ARC on the licenses to be assigned to Neoworld. Although ARC does not raise issues as to Neoworld’s qualifications to hold the licenses at issue, ARC requests that the Commission place restrictions on Neoworld’s ability to transfer or assign any of the licenses that were unconstructed or were constructed for less than one year to Nextel, or an affiliate of Nextel, for the first five years after grant of the assignments.²⁶ ARC states that such restrictions on the assignment or transfer of the licenses will “prevent Neoworld from acting as an intermediary for Nextel, allowing Nextel to circumvent its own Consent Decree restriction against ownership prior to October 2000.”²⁷

14. Again, nothing in the record supports the implication that Neoworld is a stalking horse for Nextel. Moreover, we agree with the Applicants that, if Neoworld should seek to transfer or assign these licenses to Nextel, or to any other party, such application would require an independent finding by the Commission that the transfer or assignment to Nextel was in the public interest.²⁸ Any concerns regarding Nextel’s qualifications to hold the licenses would be properly raised in that context and at that time. Of course, we would take enforcement action if Neoworld effected an unauthorized transfer of control of these licenses to Nextel. We would expect the U.S. Department of Justice to take appropriate measures if the Nextel Consent Decree restrictions are violated.

²² See Conway Comments at 1.

²³ But see 47 C.F.R. § 22.937 (imposing detailed financial showings for applicants for new cellular radiotelephone systems).

²⁴ See 47 C.F.R. § 1.946(c)(2). See also 47 C.F.R. § 1.903(b).

²⁵ See Public Interest Statement at 3.

²⁶ See ARC Comments at 6. ARC also supports granting an extension of the construction period for these licenses; however, Applicants have not requested such an extension as part of these applications. Hughes and Geotek filed such a request on June 16, 1999 (see Wireless Telecommunications Bureau Seeks Comment on a Request for Waiver of the Coverage Requirements for 900 MHz SMR Licensees Filed by Geotek Communications, Inc. and Hughes Networks Systems, *Public Notice*, DA 99-1283 (June 30, 1999)), but in its reply comments, Neoworld states that it intends to discuss the pending request and “other matters relating to its build-out schedule” after the Commission takes action on the instant assignment applications. See Reply Comments of Neoworld License Holdings, Inc., filed June 30, 2000, at 4 n. 6 (“Neoworld Reply Comments”).

²⁷ *Id.* at 8.

²⁸ See Neoworld Reply Comments at 5-6; Reply of Hughes Network Systems and Wilmington Trust Company, filed June 30, 2000, at 2 (“Creditors’ Joint Reply”). Further, Nextel is not a party to the proposed transaction, and the Commission is expressly barred from considering “whether the public interest, convenience, and necessity might be served by the transfer, assignment, or disposal of the permit or license to a person other than the proposed transferee or assignee.” See 47 U.S.C. § 310(d).

15. For the reasons discussed above, we therefore deny the objections raised by Dr. Conway and the request to condition the assignment filed by ARC.

C. Public Interest Analysis

1. Competitive Framework

16. Where an assignment of licenses involves telecommunications service providers, our public interest determination must be guided primarily by the Act.²⁹ Our analysis of competitive effects under the Commission's public interest standard consists of three steps. First, we determine the markets potentially affected by the proposed transaction.³⁰ Second, we assess the effects that the transaction may have on competition in these markets.³¹ Third, we consider whether the proposed transaction will result in transaction-specific public interest benefits.³² Ultimately, we must weigh any harmful and beneficial effects to determine whether, on balance, the transaction is likely to enhance competition in the relevant markets.

2. Relevant Markets

17. Neoworld states that it intends to use the licenses to establish "a superior, cost- and spectrum-efficient dispatch system using a digital platform combined with digital voice compression for radio transmission and digital storage and switching technologies that will permit delivery of features and functions highly-desired by dispatch users, but unavailable using analog technology."³³ Consistent with our decision in the *Geotek Order*,³⁴ which evaluated the relevant markets for the same licenses, we will examine the competitive effects of this transaction using the product market definitions that we employed in the *Pittencrieff* decision.³⁵ Specifically, we look at the proposed transaction with respect to two product markets: trunked dispatch and mobile voice.

²⁹ We note that the 1996 amendments to the Communications Act were specifically intended to produce competitive telecommunications markets. *AT&T Corporation, et al., v. Iowa Utils. Bd.*, 525 US 366, 371 (1999).

³⁰ Our determination of the affected markets requires us to identify the Applicants' existing and potential product offerings, and may require us to determine which products offered by other firms compete or potentially compete with these offerings.

³¹ Depending on circumstances, this step may include the identification of market participants and analysis of market structure, market concentration, and potential entry.

³² These include but may extend beyond factors relating to cost reductions, productivity enhancements, or improved incentives for innovation. See *VoiceStream/Aerial Order*, 2000 WL 339806, at ¶ 30, n. 82 (citing *Bell Atlantic/NYNEX Order*, 12 FCC Rcd at 20,014, ¶ 49; *BT/MCI Order*, 12 FCC Rcd at 15,368, ¶ 35); *Bell Atlantic/Vodafone AirTouch Order*, 2000 WL 332670, at ¶ 25, n. 49 (same). See also, Horizontal Merger Guidelines Issued by the U.S. Department of Justice and the Federal Trade Commission, 57 Fed. Reg. 41,552, §§ 2.1, 2.2, 4 (dated Apr. 2, 1992, as revised, Apr. 8, 1997).

³³ Public Interest Statement at 2.

³⁴ See *Geotek Order*, 15 FCC Rcd at 802-803, ¶¶ 26-27.

³⁵ *Pittencrieff Communications, Inc., Transferor, and Nextel Communications, Inc., Transferee, For Consent to Transfer Control of Pittencrieff Communications, Inc. and its Subsidiaries, Memorandum Opinion and Order*, 13 FCC Rcd 8935, 8946, 8948, 8953, ¶¶ 24, 30, 42-43. (WTB 1997) ("*Pittencrieff*").

3. Analysis of Potential Adverse Effects

a. Trunked Dispatch

18. The market for trunked dispatch services includes carriers offering on a commercial basis both one-to-one and one-to-many calling services on trunked systems, employing either analog or digital network architectures and primarily operating at 800 MHz, 900 MHz, and 220 MHz.³⁶ As we have found in the past, trunked dispatch markets are concentrated.³⁷ Neoworld does not currently own or operate any spectrum. Neoworld will be a new entrant into the market, utilizing spectrum originally licensed to Geotek, but not currently being used.³⁸ Accordingly, we find that assignment of the instant licenses to Neoworld will result in no adverse effects on competition in trunked dispatch markets. Rather, as explained below, we find that the proposed transaction will have pro-competitive benefits.

b. Mobile Voice

19. We define the mobile voice product market as consisting of all commercially available two-way, mobile voice services, providing access to the public switched telephone network via terrestrial systems.³⁹ These services are currently provided by cellular companies, broadband personal communications services (“PCS”) providers, and interconnected, trunked SMR firms.⁴⁰ Although Neoworld has stated that it anticipates providing very limited interconnection capability to its customers, its entry nevertheless would represent some additional, potential competition in the mobile voice markets. We therefore conclude that the proposed transaction would not adversely affect competition in the mobile voice markets.

4. Public Interest Benefits

20. Applicants contend that the proposed transaction would generate pro-competitive benefits to consumers by introducing additional competition into the concentrated dispatch market, and to a much lesser degree, the mobile voice market.⁴¹ Applicants contend that Neoworld’s proposed service offering would provide business users a unique choice in selecting third-party dispatch service, filling a niche not currently being served.⁴² Traditional dispatch companies typically employ analog technologies, which may not afford their customers privacy, adequate capacity, or features. Applicants

³⁶ See *Geotek Order*, 15 FCC Rcd at 805, ¶ 32 (citing *Pittencrieff*, 13 FCC Rcd 8948-49, at ¶ 30). We also determine that, for purposes of this proceeding, the relevant geographic markets are primarily local, consistent with our findings in *Pittencrieff* with respect to dispatch services and with all our recent reviews of transactions with respect to mobile voice services. See, generally, *In re Applications of Vanguard Cellular Systems, Inc. and Winston, Inc.*, *Memorandum Opinion and Order*, 14 FCC Rcd 3844 (WTB 1999); *360° Communications Company and ALLTEL Corporation*, *Memorandum Opinion and Order*, 14 FCC Rcd 2005 (WTB 1998).

³⁷ See *Geotek Order*, 15 FCC Rcd at 805, ¶ 33. See also, *Fourth CMRS Competition Report*, 14 FCC Rcd 10145, 10192 (1999).

³⁸ Public Interest Statement at 9-10.

³⁹ See *Geotek Order*, 15 FCC Rcd at 804, ¶ 30.

⁴⁰ *Id.*

⁴¹ Public Interest Statement at 10-11, 12.

⁴² *Id.* at 10-11.

contend that Neoworld's proposed digital system, designed specifically for dispatch rather than mobile voice service, would provide a valuable alternative to business users.⁴³ Further, Applicants contend that the proposed digital SMR system will allow for increased spectrum capacity and efficient spectrum utilization, which will ultimately benefit consumers by lowering costs.⁴⁴ The overwhelming majority of comments received in response to the *Acceptance Public Notice* support the proposed transaction because of Neoworld's planned focus on digital dispatch service, and these parties anticipate that Neoworld's services will produce pro-competitive benefits in the dispatch market.⁴⁵

21. We agree with Applicants and the majority of the commenters that creation of another competitor primarily focused on using this spectrum to provide dispatch service constitutes a clear, transaction-specific public interest benefit.

III. CONCLUSION

22. Based upon our review under section 310(d), we determine that this transaction will not result in harm to competition in any relevant market. We also determine that the proposed transaction will likely result in public interest benefits. We therefore conclude that, on balance, Applicants have demonstrated that these assignments serve the public interest, convenience, and necessity. Accordingly, we grant the applications.

IV. ORDERING CLAUSES

23. IT IS ORDERED, pursuant to sections 4(i) and (j), 309, and 310(d) of the Communications Act of 1934, as amended, 47 U.S.C. §§154(i) and (j), 309, and 310(d), that the objection to the applications found in the Comments of John V. Conway, MD, IS DENIED.

24. IT IS ORDERED, pursuant to sections 4(i) and (j), 309, and 310(d) of the Communications Act of 1934, as amended, 47 U.S.C. §§154(i) and (j), 309, and 310(d), that the request to impose conditions on the instant licenses found in the Comments of The Alliance for Radio Competition IS DENIED.

25. Accordingly, having reviewed the applications and the record in this matter, IT IS ORDERED, pursuant to sections 4(i) and (j), 309, and 310(d) of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154(i) and (j), 309, and 310 (d), that the applications filed by Neoworld License Holdings, Inc., Hughes Electronics Corporation, and Wilmington Trust Company, Liquidating Trustee, in the above-captioned proceeding ARE GRANTED.

⁴³ *Id.* Neoworld contrasts its proposed digital dispatch service with the digital dispatch of other providers, such as Nextel, that have a more expanded mobile voice offering. *Id.*

⁴⁴ *Id.* at 12.

⁴⁵ See Communications Electronics Comments at 1; ComSpace Comments at 2; DFW Comments at 1; Global Telecom Comments at 1; Independence Comments at 1; JAN Comments at 1; Regional Comments at 1; and Communications USA Comments at 1. While proposing conditions on future assignment or transfer of the instant licenses to Nextel, ARC still supports grant of the proposed transaction (and assignments to Neoworld) for its pro-competitive benefits. See ARC Comments at 6.

26. This action is taken pursuant to authority delegated by 47 C.F.R. § 0.331.

FEDERAL COMMUNICATIONS COMMISSION

James D. Schlichting
Deputy Chief, Wireless Telecommunications Bureau